including their conservation in accordance with generally accepted international petroleum indusry practices;

(iv) to ask for and maintain in a readily retrievable form all geo-scientific data, reports and information from licensee or lessee and store and preserve data and samples pertaining to petroleum exploration, drilling, production and connected operations;

(v) review the reserves discovered by the licensee or lessee in accordance with generally accepted international petroleum industry practices;

(vi) to lay down norms for declaration or announcement of discoveries by licensee or lessee;

(vii) to exercise the powers of the Central Government as given in rules 24, 25, 26, 27 and 30 of the Petroleum and Natural Gas Rules, 1959;

(viii) to monitor oil and gas production and royalty or any other charges or fee or levies, and where applicable, cost petroleum etc., due to the Central Government and obtain necessary reports from licensee or lessee to facilitate the Central Government in receiving accurate royalty and other statutory charges by the due date.

However, Ministry of Petroleum and Natural Gas has clarified to DGH that the main objective of delegation of power is to utilize the technical expertise of DGH for better management of petroleum reservoirs and to help them function as a repository of relevant technical data.

As regards DGH approving payment for contractors, such as payments towards unfinished committed work programme under the Production Sharing Contract (PSC) and accepting such payments on behalf of Government of India, DGH needs to make recommendations to the Government on all payment matters.

(c) DGH has been monitoring the activities of Private/Joint Venture companies as stipulated in PSC, and in terms of delegation of power specified in answers to para (a) and (b) above.

**Oil reserve in country**

243. SHRI ABU ASIM AZMI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that India's oil reserves are shrinking;

(b) if so, the details thereof; and

(c) the details of the steps taken/being taken by Government to deal with the matter with appropriate strategies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) No, Sir. India's Reserves are not shrinking. Reserve accretion to oil production ratio (R/P ratio) is more than one indicating that oil reserves are getting accreted every year. The position of balance recoverable crude oil reserves in the country has increased to 766.880 MMT in 2006-07 from 713.550 MMT in 2003-04.

(c) Several steps have been taken/are in hand to accelerate hydrocarbon exploration and production activities in the country, which include the following:

(i) Carving out more and more areas for exploration for offer under various rounds of NELP.

(ii) Quicker development of discovered reserves for enabling commencement of production.

(iii) Use of stimulation techniques for increasing production from existing fields.

(iv) Application of Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) techniques for increasing recovery factor from existing fields.

(v) Arresting decline from ageing fields.

**Production of LPG at RIL's Refinery at Jamnagar**

244. SHRI SYED AZEEZ PASHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Reliance Industries Ltd. (RIL) is expected to cut LPG production at its Jamnagar refinery from mid-2008 following the grant of Export-Oriented Unit (EOU) status to the refinery;

(b) if so, what is the expected shortage of LPG in the country thereby;

(c) what are the steps being taken to maintain the availability of LPG for domestic use in the country; and

(d) what is the reason for granting EOU status to this RIL's refinery when the country is facing shortage of LPG?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Reliance Industries Limited (RIL) has informed that following the grant of EOU status to their existing refinery at Jamnagar, there is a plan to reduce LPG production to around 1.6 MMTPA from mid-2008. The deficit between demand and indigenous production of LPG is met through regular imports being done by the Public Sector Oil Marketing Companies (OMCs). Further, with the delicensing of the refinery sector since June 1998, capacity addition is being planned in the country, both by the public and private sector companies to meet the demand for petroleum products, including LPG.

(d) Even though the RIL has been granted EOU status, any export of LPG has to be with the approval of the Government of India.

**Purchase of Ethanol from Brazil**

245. SHRI SANJAY RAUT: Will the Minister of PETROLEUM AND NATURAL GAS be please to State:

(a) whether it is a fact that Bharat Petroleum Ltd., a Public Sector Undertaking of Government has entered MoU for purchase of ethanol from a company in Brazil by name Petroleo Brasilerio;

(b) if so, whether it is not against the basic objective of helping Indian surgarcane farmers; and